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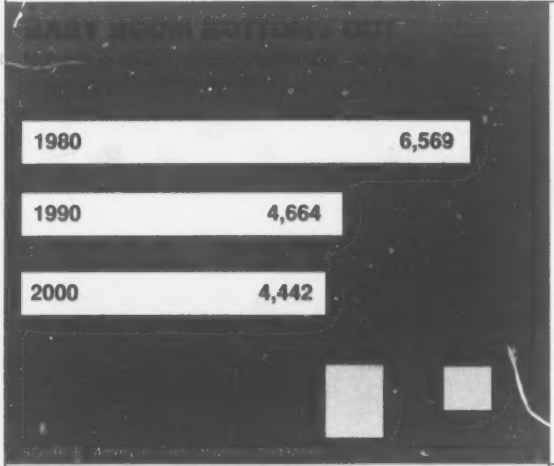
BUSINESS BAROMETER

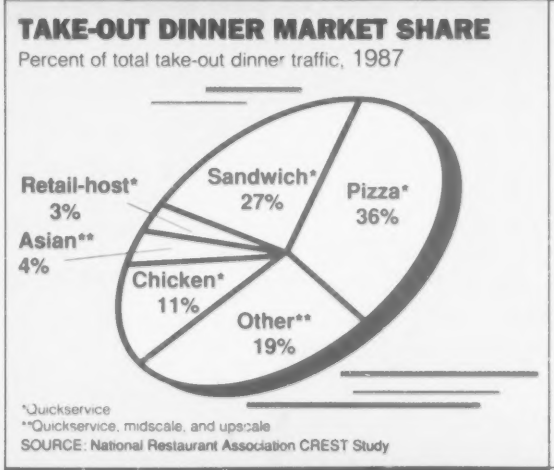
The Hard Facts Shaping Our Industry

By Howard Riell



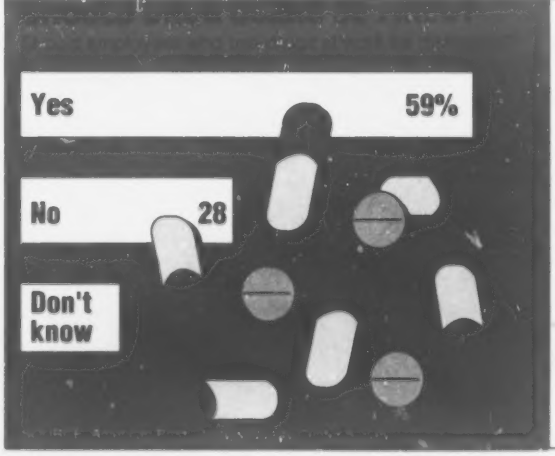
From Baby Boom To Baby Bust

The 1990 census, says *American Demographics* magazine, will show a 46% drop in the number of married couples headed by someone under age 25. In addition, the number of "baby busters" who live alone will increase. The number of family households will drop from 3,813 in 1980 to 2,109 in 2000. Restaurant operators who specialize in marketing to families can take at least some solace in the fact that the number of households headed by those under 25 years of age will drop only 5% from 1990 to 2000, in contrast to a 29% drop in the same category between 1980 and 1990.



Sampling Supping On The Run

The National Restaurant Association notes that off-premise dinner traffic at pizza restaurants more than doubled from 1982 to 1987. Further, it presents CREST data for 1987 that reveals that 26% of all take-out dinners at pizza establishments involved the use of some sort of promotional deal (which some segment players view as a growing problem). Overall, take-out traffic at dinner for all restaurant segments has risen dramatically over the same period: 53% for quick-service operations, 16% at midscale restaurants, and 13% at upscale establishments.



Workers Who Use Drugs On The Job

Just over 80% of managers surveyed by the Houston-based American Productivity & Quality Center opined that drug testing should be legal as a pre-employment requirement. But, they added, the decision should be left to the private sector; only 26% saw it as the government's job to mandate such testing. Thirty percent of respondents agreed that employees caught using drugs at work should be prosecuted; 39% said they should not. When asked whether those same employees should be given counseling or assistance, a resounding 95% said yes.

RESTAURANT BUSINESS

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COVER STORY

STRATEGY **GREYHOUND FOOD MANAGEMENT.** *The Phoenix-based foodservice management company is moving quickly to become a top-line, quality-oriented contract feeder in both blue- and white-collar markets. While it intends to stay in blue-collar accounts—the market in which it has built its reputation over the years—GFM will pursue a strategy of acquisition and sales enhancement that management hopes will make it one of the premier B&I caterers within five years, doubling the size of its contract feeding operations to achieve sales of $350 million to $400 million* 93

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MENU IDEAS **BEEF, PORK & VEAL.** *On-premise red meat consumption is on the rise as more and more diners leave it up to restaurants to prepare and serve their favorite beef, veal, and pork dishes. And it has never been easier for operators to add an ever-increasing variety of meat dishes to their menus*..... 173

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CHAIN **HARDEE'S.** *Through a combination of smart moves and good luck, Hardee's has pulled into the number-three position in terms of unit volume. The Rocky Mount, NC-based chain's overall strategy of appealing to the frequent fast-food diner with new products and a quality image is clearly paying off in the "battle of the burgers"*..... 75

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INDEPENDENT **RAY'S BOATHOUSE.** *A Seattle favorite since 1974, Ray's Boathouse has established a reputation for high-quality Pacific Northwest cuisine by carefully cultivating its local resources* 108

MARKET SEGMENT REPORT **BREAKFAST.** *Despite the fact that growth in the breakfast daypart has flattened considerably since the days of skyrocketing increases in the early '80s, breakfast continues to represent a significant opportunity for sales. Breakfast remains underexploited and undermarketed, and many operators who look to the a.m. daypart are still bound to be rewarded* 131

Cover illustration by Ajin

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RADISSON HOTEL CORP. *is developing a national lodging chain called Honors Inn by Radisson, positioned to compete in the growing "clubcourt" sector* 20

The 73rd **INTERNATIONAL HOTEL/MOTEL & RESTAURANT SHOW** *drew 64,799 attendees and 21,825 exhibitors to the Jacob K. Javits Convention Center* 20

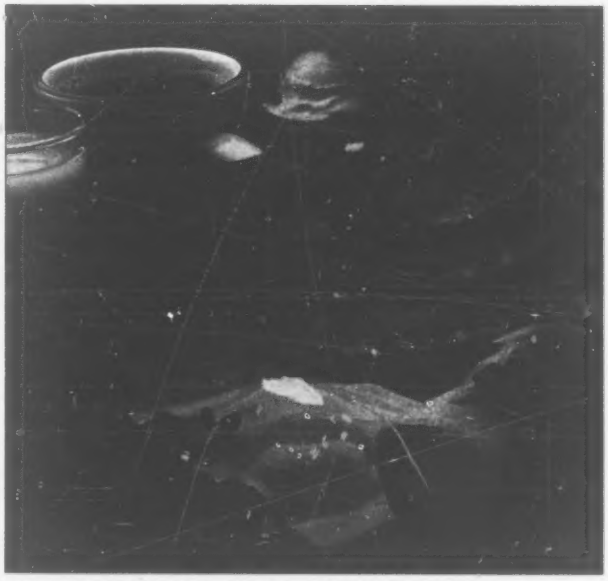
UPCOMING CONFERENCE

Participants from all segments of the foodservice and meat industries will gather at the first **CENTER-OF-PLATE** *Foodservice Marketing Conference. The Conference, scheduled for April 3 to 5 at the Hyatt Regency Hotel in Chicago, is co-sponsored by* Restaurant Business *magazine and the American Meat Institute. RB's sister publications,* Institutional Distribution *and* FoodService Director, *will also participate. For more information, contact Editor Peter Berlinski,* Restaurant Business, *633 Third Avenue, New York, NY 10017. (See ad on page 127.)*

REPRINTS AVAILABLE

Restaurant Business *now has available specially prepared reprints of the* **1988 RESTAURANT GROWTH INDEX** *and the* **1988 MAJOR FORCES IN FRANCHISING.** *These annual studies are invaluable reference tools.*

The reprints are available for $5 per copy. Direct inquiries to: Editor Peter Berlinski, Restaurant Business, *633 Third Avenue, New York, NY 10017.*



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COVER STORY

TW SERVICES

Many companies have tried to operate a portfolio of different restaurant chains, but few have done as well as TW Services has. The New York-based company has helped steer Spartan Food Systems, the largest Hardee's franchisee, through an extremely successful year, and has led Denny's out of troubled waters into a new era of prosperity.

SPECIAL FEATURE

THE LIVING MENU

The menu is any restaurant's ultimate merchandising and profit tool, and keeping it current is both an art and a science. The ideal menu evolves to keep pace with changing consumer tastes and market trends.

MARKET SEGMENT REPORT

ORIENTAL

Chinese and Japanese food are continuing to grow in popularity, yet the Oriental segment has so far resisted major chain formation.

MENU IDEAS

SANDWICHES

The popularity of hand-held foods has pushed the sandwich category to new heights.

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